

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE <b>K</b>		PAGE OF PAGES <b>1   2</b>		
2. AMENDMENT/MODIFICATION NO. <div style="text-align: center;">0007</div>		3. EFFECTIVE DATE <div style="text-align: center;">July 17, 2003</div>		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)	
6. ISSUED BY <div style="text-align: right;">CODE</div> DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FT. BELVOIR, VA 22060-6222 FAX 703-767-9490 BUYER/SYMBOL-ANDREA L. KINCAID, DESC-APE PHONE - (703) 767-9412		<div style="text-align: right;">SP0600</div>		7. ADMINISTERED BY (If other than Item 6) <div style="text-align: right;">CODE</div>		<div style="text-align: right;">SP0600</div>	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street,city,county,State,and ZIP Code)				X		9a. AMENDMENT OF SOLICITATION NO. <div style="text-align: center;">SP0600-03-R-0097</div>	
						9b. DATED (SEE ITEM 11) <div style="text-align: center;">May 1, 2003</div>	
						10a. MODIFICATION OF CONTRACT/ORDER NO.	
						10b. DATED (SEE ITEM 13)	
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>							
<p>[ X ] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [ ] is extended, [ X ] is not extended</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning ____ copies of the amendment;(b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.</p> <p><b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>							
12. ACCOUNTING AND APPROPRIATION DATA (If required)							
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>							
13. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. 12.05 CHANGES-FIXED PRICE (AUG 87)							
14. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)							
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.01							
OTHER (Specify type of modification and authority)							
E. <b>IMPORTANT:</b> Contractor [ ] is not, [ X ] is required to sign this document and return <u>1</u> copies to the issuing office.							
15. <b>DESCRIPTION OF AMENDMENT/MODIFICATION</b> (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
See Following Page							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type or print)				16A. NAME OF CONTRACTING OFFICER <div style="text-align: center;">LAWRENCE T. FRATIS</div>			
15B. NAME OF CONTRACTOR/OFFEROR BY _____ (Signature of person authorized to sign)		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)		16C. DATE SIGNED	

1. The Army (ARNG) and Air National Guard (ANG) accounts are deleted.
2. Attachment III All Other is updated to reflect these changes. The price closing date for this Attachment is July 22, 2003 by **12 Noon local Fort Belvoir, VA time**.
3. Attachment III FedCiv is added for non-DoD line items. The price closing date will be announced by a later amendment.
4. For any offeror choosing OPTION II under the Termination for Convenience Clause, please see the following changes (Italicized).

**OPTION II:**

*In the event of a termination for convenience, the Government shall pay the contractor the Termination Value, if positive, calculated in the following formula:*

$$A = \Sigma (B - C) * D$$

*Where:*

*A = Termination Value*

*B = Award Price for each usage period for each season*

*C = The index price shall be energy plus capacity (as calculated below) plus 15% of the contract price (ancillaries and other costs, defined herein)*

*D = Contract Quantity for each usage period for each season (based on data listed in the Installation Data Sheets)*

***Energy***

The index for the energy component of the award price will be the 5 p.m. weighted average of the Daily Price for the (applicable index), for each month of the Contract Term, as posted on the Inter-Continental Exchange (ICE) the day of contract termination.

***Capacity***

The proposed index for the Capacity component of the award price will be the average commercially reasonable trading price of the capacity markets as determined by an independent survey of reputable brokers. For the purposes of this contract the term capacity shall be defined consistent with the NY ISO definition.

For purposes of this contract, the contract price is composed of 85% energy and capacity and 15% for ancillaries, transmission, congestion and other costs. The break down of the 85%, 95% is attributed to energy and 5% capacity. These figures are valid throughout the life of the contract.

For purposes of a termination settlement, the index price shall be energy plus capacity (as calculated above) plus 15% of the contract price (ancillaries and other costs).

If the Termination Value on the date of termination is negative, the contractor shall not be entitled to such payment.

5. All other terms and conditions remain unchanged.